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SENSITIVE
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FOR PM/DTCC - BLUE LANTERN COORDINATOR, WHA/MEX, AND INL/LP

E.O. 12958: N/A
TAGS: [ETTC](#) [KOMC](#) [SNAR](#) [MX](#)
SUBJECT: BLUE LANTERN PRE-LICENSE END-USE CHECK ON LICENSE
050123038

REF: STATE 102661

1. (SBU) SUMMARY: Mission Mexico has uncovered a misstatement on the license request by Transportadora de Proteccion y Seguridad (TPS) in conducting a pre-license end-use check (reftel). Although TPS did not identify the correct end-user of abrasion resistant steel plates from U.S. supplier Kambio Corporation, experience suggests that TPS is a bona-fide company that fulfills all documentary and security requirements. TPS armors vehicles for U.S. and Mexican government entities, including the Ambassador's car and CG's vehicle in Monterrey, and some of the largest businesses in Mexico. TPS indicated that it misunderstood the new licensing requirement and would be willing to resubmit its application. END SUMMARY.

2. (SBU) Poloff spoke by phone to General Manager Rodolfo Amozurritia of Transportadora de Proteccion y Seguridad, S.A. de C.V. (its commercial name is TPS Armoring) based in Monterrey October 31 as well as Fernando Macias of Transcarga November 10 about the end-use check on license 050123038 (reftel) for abrasion resistant steel plates. In the course of these exchanges, it became evident that TPS already had delivered an armored vehicle to end-user Transcarga using plates that TPS had acquired previously when the current end-use check was not required. Amozurritia acknowledged that with the purchase of new steel plates per the license under review, TPS had hoped to create a running stock of plates that it could use as orders came in.

3. (SBU) At Embassy Mexico's request, Monterrey Consulate Poloff visited TPS and met with Chairman and CEO Enrique Herrera and General Manager Amozurritia November 24 for further information on the end-use license under review. Herrera and Amozurritia conveyed some confusion about the State Department's end-use check process. In the past, TPS had ordered its parts from the U.S. without having to identify the ultimate recipient of each part ordered. To meet running requests from a variety of customers, both governmental and private, the company sought to place orders on a monthly basis. To meet requirements under the licensing process, TPS had identified Transcarga as an end-user. Ultimately, however, TPS made delivery of an armored car to Transcarga with plates that had come in while it was waiting on the State Department license to be approved.

4. (SBU) Speaking to TPS' business record, Herrera and Amozurritia explained that 50 percent of its sales go to Mexican (including the Attorney General's Office (PGR), the Preventive Federal Police (PFP), the Secretariat of Public Security (SSP), CISEN, AFI and as many as 26 state governments) and U.S. government entities (TPS armored both

the CG's car in Monterrey and Ambassador Garza's car and has provided service to both the DEA and FBI in Monterrey). The other 50 percent of its sales are made with the private sector, including the largest businesses in Monterrey, such as Cemex, Alfa, Femsa and others. The company also sells to U.S. companies like Caterpillar and Colgate. They showed Poloff purchase agreements with CISEN, PGR and a private company.

15. (SBU) TPS maintains that it satisfies all documentary requirements on transactions, including permits and registration with SSP. The company places an authentication seal on each vehicle it manufactures with a logo to attest to its origin. It fully understands that the items from the U.S. source, Kambio Corporation in Miami, Florida, are not to be re-transferred or re-exported. Until now TPS has only sold its products to government entities or Mexican private sector companies. Herrera and Amozurritia showed Poloff its secure facilities and affirmed that the company uses proper accounting and security procedures. The company serves many states in Mexico and has a sales office in Mexico City.

16. (SBU) TPS is owned by Enrique Herrera, who founded the company in 1994. He and Amozurritia are in the process of selling the company to the O'Gara Group, which they said is the most well-known and respected U.S. armored car company, but that the sale is not final. After the sale, Herrera and Amozurritia plan to remain in the company's management. More information about TPS can be found on the company website at www.tps.com.mx.

17. (SBU) COMMENT: Consulate Monterrey's long experience with TPS suggests it is not only a legitimate firm but has proven

a reliable partner to the Consulate's U.S. law enforcement (FBI and DEA) community. Monterrey's FBI office has heard no derogatory information about TPS and services its cars with the company. TPS told Monterrey's FBI representatives that it has no intention of selling armored cars to narcotraffickers as it does not want to risk getting caught up in battles between the cartels. It also said that it does not accept orders for armored cars with secret compartments or gunholes from which you can shoot. Indeed, Monterrey's FBI Office indicated that it would face a hardship identifying as reliable a supplier as TPS were the USG's relationship with the company curtailed. TPS has conveyed a willingness to resubmit an application to the State Department that would enable it to continue receiving abrasion resistant steel plates from U.S. suppliers for the production of armored vehicles. To the extent it receives a running order of requests from a wide range of governmental and private requests for armored cars, TPS would like to explore the possibility of filing licenses in a manner that would enable it to create a running stock of steel plates. Notwithstanding Mission Mexico's determination that the presumption in reftel that the controlled items are to be used in an armored vehicle for the end-user Transcarga is not correct, everything suggests TPS is a bona-fide company that seeks to satisfy in full State Department licensing requirements that would allow it to continue purchasing its product from U.S. suppliers in the future. END COMMENT.

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